

Senate File 252 - Introduced

SENATE FILE _____
BY HATCH

Passed Senate, Date _____ Passed House, Date _____
Vote: Ayes _____ Nays _____ Vote: Ayes _____ Nays _____
Approved _____

A BILL FOR

1 An Act creating an excise tax on paint, primer, and specialty
2 finish and directing moneys to fund the childhood lead
3 poisoning prevention program.
4 BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF IOWA:
5 TLSB 2242XS 83
6 ak/mg:sc/14

PAG LIN

1 1 Section 1. NEW SECTION. 135.105E PAINT EXCISE TAX.
1 2 1. a. An excise tax of twenty-five cents is imposed on
1 3 each container of paint, primer, and specialty finish sold.
1 4 b. This section does not apply to stains, sealers, or
1 5 spray paints.
1 6 2. The excise tax as established in subsection 1 is
1 7 imposed on paint, primer, and specialty finish sold or used in
1 8 the state of Iowa. This excise tax shall be collected and
1 9 paid over to the department of revenue by any retailer,
1 10 retailer maintaining a place of business in this state, or
1 11 user who would be responsible for collection and payment of
1 12 the excise tax as if it were a sales or use tax imposed under
1 13 chapter 423. A user of paint, primer, or specialty finish in
1 14 this state is not subject to this excise tax if the paint,
1 15 primer, or specialty finish was subject to the excise tax at
1 16 the time of the sale of the paint, primer, or speciality
1 17 finish and the user has paid the excise tax.
1 18 3. a. The director of revenue shall administer the excise
1 19 tax on the sale and use of paint, primer, and specialty finish
1 20 as nearly as possible in conjunction with the administration
1 21 of the state sales and use tax law, except that portion of the
1 22 law which implements the streamlined sales and use tax
1 23 agreement. The director shall provide appropriate forms, or
1 24 provide on the regular state tax forms, for reporting the sale
1 25 and use of paint, primer, and specialty finish excise tax
1 26 liability. All moneys received and all refunds shall be
1 27 deposited in or withdrawn from the lead paint clean-up fund as
1 28 established in section 135.105F.
1 29 b. The director may require all persons who are engaged in
1 30 the business of deriving any income from the use of paint,
1 31 primer, or specialty finish subject to tax under this section
1 32 to register with the department. The director may also
1 33 require a tax permit applicable only to this section for any
1 34 retailer not collecting, or any user not paying, taxes under
1 35 chapter 423.
2 1 c. Section 422.25, subsection 4, sections 422.30, 422.67,
2 2 and 422.68, section 422.69, subsection 1, sections 422.70,
2 3 422.71, 422.72, 422.74, and 422.75, section 423.14, subsection
2 4 1, and sections 423.23, 423.24, 423.25, 423.31 through 423.35,
2 5 423.37 through 423.42, 423.45, 423.46, and 423.47, consistent
2 6 with the provisions of this section, apply with respect to the
2 7 tax authorized under this section, in the same manner and with
2 8 the same effect as if the excise taxes on paint, primer, or
2 9 specialty finish sales or uses were retail sales taxes within
2 10 the meaning of those statutes. Notwithstanding this
2 11 paragraph, the director shall provide for quarterly filing of
2 12 returns and for other than quarterly filing of returns both as
2 13 prescribed in section 423.31. All taxes collected under this
2 14 section by a retailer or any user are deemed to be held in
2 15 trust for the state of Iowa.
2 16 Sec. 2. NEW SECTION. 135.105F LEAD PAINT CLEAN-UP FUND.
2 17 1. A lead paint clean-up fund is created in the state
2 18 treasury under the control of the department of public health.
2 19 The fund is composed of moneys collected pursuant to the

2 20 excise tax in section 135.105E. Notwithstanding section
2 21 12C.7, all interest earned on moneys in the fund shall be
2 22 credited to and remain in the fund. Section 8.33 does not
2 23 apply to moneys in the fund.

2 24 2. Moneys in the fund that are authorized by the
2 25 department for expenditure are appropriated, and shall be
2 26 used, for the following purposes:

2 27 a. The continued implementation of the childhood lead
2 28 poisoning prevention program as established in this division.

2 29 b. The protection of children and families in this state
2 30 from lead poisoning, and the removal of lead paint from their
2 31 homes.

2 32 EXPLANATION

2 33 This bill creates an excise tax on the sale or use of
2 34 paints, primers, and specialty finishes and directs the moneys
2 35 from the tax to the department of public health to continue
3 1 funding the childhood lead poisoning prevention program.

3 2 An excise tax of 25 cents is imposed on the sale or use of
3 3 each container of paint, primer, or specialty finish. The tax
3 4 does not apply to stains, sealers, or spray paints.

3 5 The director of revenue shall administer the paint excise
3 6 tax as nearly as possible in conjunction with the
3 7 administration of state sales and use tax laws. The director
3 8 shall provide forms or entries on the regular state tax forms
3 9 for reporting excise tax liability.

3 10 The bill creates a lead paint clean-up fund, and excise
3 11 taxes collected on the sale or use of paint, primer, or
3 12 specialty finish are deposited into the fund. The department
3 13 of public health shall use the fund for the following
3 14 purposes: to continue implementation of the childhood lead
3 15 poisoning prevention program in Code chapter 135, division
3 16 VIII, and to protect children and families in Iowa from lead
3 17 poisoning and remove lead paint from their homes.

3 18 LSB 2242XS 83

3 19 ak/mg:sc/14